

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 93-376-C - ORDER NO. 93-804 ✓

AUGUST 30, 1993

IN RE: Farmers Telephone Cooperative, Inc.'s)	ORDER
Request for Approval of Revised)	APPROVING
Depreciation Rates for DMS 200 Tandem)	INCREASED
Switch and Associated Software.)	DEPRECIATION
)	RATES

This matter comes before the Public Service Commission of South Carolina (the Commission) on Farmers Telephone Cooperative, Inc.'s (Farmer's) request for approval of an increased depreciation rate for a DMS 200 Tandem Switch located in Sumter, South Carolina. Farmers asserts that, due to changes in technology, directives from regulatory bodies, and deregulation, the usefulness of the switch has decreased. Farmers requests that the Commission approve a depreciation rate of 33.3% so that the DMS 200 Tandem Switch hardware can be fully depreciated over a three year period. Further, Farmers requests that the DMS 200 Tandem Switch software investment be expensed, rather than depreciated, effective in 1993. Farmers asserts local rates will not be increased as a result of these accounting changes.

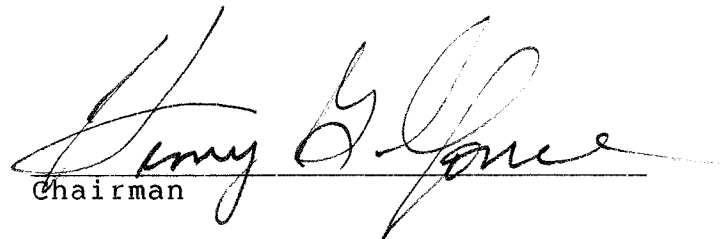
By letter dated July 14, 1993, the Commission's Executive Director instructed Farmers to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform

interested parties of Farmers' request and the manner and time in which to file the appropriate pleadings for participation in the proceeding. Farmers complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. A Petition to Intervene was filed by the Consumer Advocate for the State of South Carolina (the Consumer Advocate). Subsequently, the Consumer Advocate requested to withdraw its intervention based on Farmers' representation that its request would not contribute to an increase in local rates.

The Commission grants the Consumer Advocate's request to withdraw its intervention. Further, after review of Farmers' request for revised depreciation rates for its DMS 200 Tandem Switch and request to expense rather than depreciate the associated software, the Commission concludes that the requests should be granted. The revised depreciation rates shall be effective January 1, 1993.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)